



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-912]

Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2014-2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce (Commerce).

SUMMARY: On October 14, 2016, the Department of Commerce (“Department”) published the preliminary results of the seventh administrative review of the antidumping duty order on certain new pneumatic off-the-road tires (“OTR tires”) from the People’s Republic of China (“PRC”) and provided to interested parties an opportunity to comment on these preliminary results. Based on our analysis of the comments received, we made certain changes in the margin calculation regarding one mandatory respondent, Xuzhou Xugong Tyres Co., Ltd. (“Xugong”). We also continue to find that the other mandatory respondent, Guizhou Tyre Co., Ltd. (“GTC”), is not eligible for separate rate status and, thus, is part of the PRC-wide entity. The final dumping margins for this review are listed in the “Final Results” section of this notice, below.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Amanda Mallott or Keith Haynes, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-6430 and (202) 482-5139, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 14, 2016, the Department published its *Preliminary Results* of the antidumping duty administrative review of OTR tires from the PRC.¹ In accordance with 19 CFR 351.309, we invited interested parties to comment on the preliminary results. On December 22, 2016, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (“the Act”), the Department extended the period for issuing the final results of this review by sixty-days, to April 12, 2017.²

We received case briefs from Titan Tire Corporation and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (“Petitioners”), the mandatory respondents Xuzhou Xugong Tyres Co., Ltd. (“Xugong”),³ and Guizhou Tyre Co., Ltd. (“GTC”),⁴ and separate rate applicants Aeolus Tyre Co., Ltd. (“Aeolus”) and Qingdao Free Trade Zone Full-World International Trading Co., Ltd. (“Qingdao FTZ”). We received rebuttal briefs from Petitioners, Xugong, GTC, and separate

¹ See *Certain New Pneumatic Off-the-Road Tires From the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2014-2015*, 81 FR 71068 (October 14, 2016) (“*Preliminary Results*”) and accompanying “Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China; 2014-2015,” dated October 5, 2016 (“PDM”).

² See Memorandum to Christian Marsh titled, *Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review; 2014-2015*, dated December 22, 2016.

³ The Department previously collapsed Xugong and its affiliates Xuzhou Armour Rubber Company Ltd. (“Armour”) and Xuzhou Hanbang Tyre Co., Ltd. (“Hanbang”) into a single entity; see *Certain New Pneumatic Off-The-Road Tires From The People’s Republic Of China: Preliminary Results Of Antidumping Duty Administrative Review; 2013-2014*, 80 FR 61166, 61167 (October 9, 2015), unchanged in *Certain New Pneumatic Off-the-Road Tires From the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2013-2014*, 81 FR 23272 (April 20, 2016). This decision is unchallenged in the instant review; thus, the Department continues to treat Xugong, Armour, and Hanbang as a single entity (collectively, “Xugong”).

⁴ In the initial investigation, the Department collapsed GTC and Guizhou Tyre Import and Export Corporation (“GTCIE”) into a single entity, see *Certain New Pneumatic Off-The-Road Tires From the People’s Republic of China; Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 73 FR 9278, 9283 (February 20, 2008), unchanged in *Certain New Pneumatic Off-The-Road Tires from the People’s Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances*, 73 FR 40485 (July 15, 2008). This decision is unchallenged in the instant review; thus, the Department continues to treat GTC and GTCIE as a single entity (collectively, “GTC”).

rate applicants Zhongce Rubber Group Company Limited (“Zhongce”) and Qingdao Jinhaoyang International Co., Ltd. (“Jinhaoyang”). On February 15, 2017, the Department held a public hearing at the request of interested parties. For a further discussion of the events that occurred in this investigation subsequent to the *Preliminary Results*, see the Issues and Decision Memorandum.⁵

Scope of the Order

The merchandise covered by this order includes new pneumatic tires designed for off-the-road and off-highway use, subject to certain exceptions. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 4011.20.10.25, 4011.20.10.35, 4011.20.50.30, 4011.20.50.50, 4011.61.00.00, 4011.62.00.00, 4011.63.00.00, 4011.69.00.00, 4011.92.00.00, 4011.93.40.00, 4011.93.80.00, 4011.94.40.00, and 4011.94.80.00. The HTSUS subheadings are provided for convenience and customs purposes only; the written product description of the scope of the order is dispositive. For a complete description of the scope of the order, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum is attached as Appendix I to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (“ACCESS”). ACCESS is

⁵ See Memorandum to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, “Issues and Decision Memorandum for Final Results of Antidumping Duty Administrative Review: Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China; 2014-2015,” adopted by and dated concurrently with this notice (“Issues and Decision Memorandum”).

available to registered users at <http://access.trade.gov> and it is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memorandum and electronic version of the Issues and Decision Memorandum are identical in content.

Final Determination of No Shipments

As noted in the *Preliminary Results*, we received a no-shipment certification from Trelleborg Wheel Systems Hebei Co. (“TWS Hebei”).⁶ Consistent with its practice, the Department asked U.S. Customs and Border Protection (“CBP”) to conduct a query on potential shipments made by TWS Hebei during the POR. CBP did not provide any evidence contradicting TWS Hebei’s no-shipment claim.⁷ No interested party provided comments on this issue. Thus, based on TWS Hebei’s certification and our analysis of information received from CBP, we determine that TWS Hebei did not have any reviewable transactions during the POR.

Separate Rates

In the *Preliminary Results*, we determined that Shiyang Desizheng Industry & Trade Co., Ltd. (“Desizheng”), Sailun Jinyu Group Co., Ltd. (“Sailun”), Weifang Jintongda Tyre Co., Ltd. (“Jintongda”), Trelleborg Wheel Systems (Xingtai) China, Co. Ltd. (“TWS Xingtai”), Weihai Zhongwei Rubber Co., Ltd. (“Zhongwei”), Zhongce, Qingdao Qihang Tyre Co. (“Qihang”), Jinhaoyang, and Qingdao FTZ are eligible for separate-rate status. We also preliminarily determined that Aeolus, Tianjin Leviathan International Trade Co., Ltd. (“Leviathan”), and GTC

⁶ See *Preliminary Results*, 81 FR at 71068.

⁷ See CBP Message Number 6207309, dated July 25, 2016.

were not eligible for a separate rate, and are thus part of the PRC-wide entity.⁸ We made no changes to these determinations for the final results. For further discussion, *see* Issues and Decision Memorandum at Comment 1.

Rate for Non-Individually-Examined Separate Rate Companies

The statute and the Department's regulations do not address the establishment of a rate to be assigned to respondents not selected for individual examination when the Department limits its examination of companies subject to the administrative review pursuant to section 777A(c)(2)(B) of the Act. Generally, the Department looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for respondents not individually examined in an administrative review. Section 735(c)(5)(A) of the Act articulates a preference for not calculating an all-others rate using rates which are zero, *de minimis*, or based entirely on facts available.⁹ Accordingly, the Department's usual practice has been to determine the dumping margin for companies not individually examined by averaging the weighted-average dumping margins for the individually examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available.¹⁰ In this review, we have calculated a weighted-average dumping margin for Xugong that is above *de minimis* and not based entirely on facts available. Therefore, consistent with the Department's practice, we have assigned to Desizheng, Jinhaoyang, Jintongda, Sailun, Qingdao FTZ, Qihang, TWS Xingtai, Zhongwei, and Zhongce the weighted-average dumping margin

⁸ *See Preliminary Results*, 81 FR at 71069-70, and accompanying PDM at the "Separate Rates" section.

⁹ *See Ball Bearings and Parts Thereof From France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews and Rescission of Reviews in Part*, 73 FR 52823, 52824 (September 11, 2008), and accompanying Issues and Decision Memorandum at Comment 16.

¹⁰ *See, e.g., Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 71 FR 77373, 77377 (December 26, 2006), unchanged in *Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 72 FR 19690 (April 19, 2007).

calculated for Xugong as the separate rate for this review.

Changes Since the Preliminary Results

Based on an analysis of the comments received, we made certain calculation changes and revisions to the valuation of certain factors of production since the *Preliminary Results* with respect to Xugong's margin calculation, and have updated Xugong's margin accordingly. For further details on the changes made since the *Preliminary Results*, see the Issues and Decision Memorandum.¹¹

In light of changes made since the *Preliminary Results* which altered Xugong's margin, we have updated the separate rate that was preliminarily assigned to Desizheng, Jinhaoyang, Jintongda, Sailun, Qingdao FTZ, Qihang, TWS Xingtai, Zhongwei, and Zhongce to reflect Xugong's margin for the final results.

Final Results

As a result of this administrative review, we determine that the following weighted-average dumping margins exist for the period September 1, 2014, through August 31, 2015:

Exporter	Weighted-Average Dumping Margin (percent)
Xuzhou Xugong Tyres Co., Ltd., Armour Rubber Company Ltd., or Xuzhou Hanbang Tyre Co., Ltd.	33.08
Shiyan Desizheng Industry & Trade Co., Ltd.	33.08
Qingdao Jinhaoyang International Co., Ltd.	33.08

¹¹ See also Memorandum to the File, "Final Results of the 2014-2015 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic off-The-Road Tires from the People's Republic of China: Surrogate Value Memorandum," dated concurrently with this notice; and Memorandum to the File, "2014-2015 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Analysis of the Final Results Margin Calculation for Xuzhou Xugong Tyres Co., Ltd.," dated concurrently with this notice.

Sailun Jinyu Group Co., Ltd.	33.08
Weifang Jintongda Tyre Co., Ltd.	33.08
Zhongce Rubber Group Company Limited	33.08
Weihai Zhongwei Rubber Co., Ltd.	33.08
Qingdao Qihang Tyre Co.	33.08
Qingdao Free Trade Zone Full-World International Trading Co., Ltd.	33.08
Trelleborg Wheel Systems (Xingtai) China, Co. Ltd.	33.08

Additionally, as in the *Preliminary Results*, the Department determines that Guizhou Tyre Co., Ltd. and Guizhou Tyre Import and Export Corporation, Aeolus Tyre Co., Ltd., and Tianjin Leviathan International Trade Co., Ltd., are part of the PRC-wide entity.

Disclosure

We intend to disclose the calculations performed regarding these final results within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

Assessment Rates

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(1).¹² The Department intends to issue assessment instructions directly to CBP 15 days after the date of publication of these final results of administrative review.

¹² See *Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8103 (February 14, 2012) (“*NME Antidumping Proceedings*”).

For Xugong, the Department will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of sales, in accordance with 19 CFR 351.212(b)(1). For customers or importers of Xugong for which we do not have entered values, we calculated importer- (or customer-) specific antidumping duty assessment amounts based on the ratio of the total amount of dumping duties calculated for the examined sales of subject merchandise to the total sales quantity of those same sales.¹³ For customers or importers of Xugong for which we received entered-value information, we have calculated importer- (or customer-) specific antidumping duty assessment rates based on importer- (or customer-) specific *ad valorem* rates.¹⁴ Where an importer- or (customer-) specific *ad valorem* rate is greater than *de minimis*, the Department will instruct CBP to collect the appropriate duties at the time of liquidation.¹⁵ For the non-examined separate rate companies, we will instruct CBP to liquidate all appropriate entries at 33.08 percent. For those entities that are subject to this review that the Department has determined are part of the PRC-wide entity (*i.e.*, GTC and GTCIE, Aeolus Tyre Co., Ltd., and Tianjin Leviathan International Trade Co., Ltd.), we will instruct CBP to liquidate all appropriate entries at the PRC-wide rate of 105.31 percent.¹⁶ Pursuant to a refinement in the Department's non-market economy ("NME") practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate.¹⁷ In addition, if the Department determines that an exporter under review had no shipments of subject merchandise, any suspended entries

¹³ See 19 CFR 351.212(b)(1).

¹⁴ *Id.*

¹⁵ See 19 CFR 351.212(b)(1).

¹⁶ The PRC-wide rate was determined in *Certain New Pneumatic Off-the-Road Tires From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 80 FR 20197 (April 15, 2015).

¹⁷ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the PRC-wide rate.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) For the exporters listed above, the cash deposit rate will be equal to the weighted-average dumping margin identified in the "Final Results" section of this notice, above; (2) for previously investigated or reviewed PRC and non-PRC exporters that are not under review in this segment of the proceeding but that received a separate rate in a previous segment, the cash deposit rate will continue to be the exporter-specific rate (or exporter-producer chain rate) published for the most recently completed segment of this proceeding in which the exporter was reviewed; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 105.31 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that

reimbursement of the antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (“APO”) of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing these final results of administrative review in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: April 12, 2017.

Ronald K. Lorentzen,

Acting Assistant Secretary,

for Enforcement and Compliance.

APPENDIX

Issues and Decision Memorandum

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